



House of Representatives

General Assembly

File No. 455

February Session, 2016

Substitute House Bill No. 5175

House of Representatives, April 5, 2016

The Committee on Planning and Development reported through REP. MILLER, P. of the 36th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING LOCAL BOARD OF EDUCATION BUDGETS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2016*) Each board of education
2 shall file a copy of the end of year school report required pursuant to
3 section 10-227 of the general statutes with the town clerk in the
4 municipality where the board of education is located. Such copy of the
5 report and any revisions made thereto shall be filed with the town
6 clerk not later than ten business days after the report and such
7 revisions are submitted to the Commissioner of Education pursuant to
8 said section. All special education expenses and information
9 identifying individual students shall be redacted from such report and
10 revisions.

11 Sec. 2. (NEW) (*Effective July 1, 2016*) Notwithstanding any provision
12 of the general statutes or any special act, municipal charter, home rule
13 ordinance or other ordinance, a town board of finance established
14 pursuant to section 7-340 of the general statutes may increase, decrease

- 15 or eliminate any noneducational expense set forth in a proposed
16 budget by a local board of education.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2016</i>	New section
Sec. 2	<i>July 1, 2016</i>	New section

PD *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 17 \$	FY 18 \$
All Municipalities	Redistribution of Local Funds	Potential	Potential

Explanation

The bill allows local boards of finance to increase or decrease non-educational expenditures in budgets proposed by local boards of education.

To the extent that local boards of finance choose to do this, there could be a shifting of municipal expenditures between the general government and education portions of municipal budgets. Such a shift in expenditures could result in a net increase or decrease in municipal spending.

The bill also requires local boards of education to file certain reports with local town clerks. This has no fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to changes in municipal expenditures.

OLR Bill Analysis**sHB 5175****AN ACT CONCERNING LOCAL BOARD OF EDUCATION BUDGETS.****SUMMARY:**

This bill authorizes a municipal board of finance to increase, decrease, or eliminate noneducational expenses in a board of education's proposed budget. It applies to towns that have established a board of finance according to the statutes but not those that (1) do not have a board of finance or (2) have one established under a local charter, home rule ordinance, or special act. Existing law, unchanged by the bill, requires a town's appropriating authority to make spending recommendations and suggestions to the board of education regarding the consolidation of noneducational services and cost savings (see BACKGROUND).

The bill also requires boards of education to file with their town clerks a copy of the end of year school report (i.e., audited report detailing their receipts, expenditures, and statistics) that they submit to the State Department of Education (SDE). Presumably, regional boards of education must file a copy of the report with each of the town clerks in their region.

By law, boards must annually submit the reports by September 1 and may make any necessary revisions by December 31. Under the bill, boards must file the reports with their town clerks no later than 10 days after submitting them and any revisions to them to the state. In doing so, they must redact any special education expenses and information that identifies individual students.

EFFECTIVE DATE: July 1, 2016

BACKGROUND***Noneducational Expenses in a Board of Education's Budget***

By law, a board of education must submit its budgets to the town's appropriating authority at least two months before the town's annual budget meeting. No later than 10 days after the submission, the appropriating authority must make spending recommendations and suggestions to the board of education regarding the consolidation of noneducational services and cost savings. The board may accept or reject the suggestions but must provide a written explanation of any rejections (CGS § 10-222).

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 12 Nay 8 (03/18/2016)